

CAMDEN COUNTY BOARD OF COMMISSIONERS

ANNUAL FINANCIAL ASSURANCES REPORT
For Fiscal Year Ending June 30, 2012





Board of County Commissioners

Office of Finance and Budget

P.O. Box 99/200 East 4th Street • Woodbine, GA 31569

Phone: (912) 576.6682 • Fax: (912) 576.1866 • www.co.camden.ga.us

January 24, 2013

Mr. Mike Kemp

Georgia Environmental Protection Division

Solid Waste Management Program

4244 International Parkway, Suite 104

Atlanta, GA 30354

Re: Financial Assurance Requirements

EPD Permit # 020-017D (MSWL)

020-019D (C&D),

Camden County-S.R. 110 MSW Landfill

S.R. 110 C&D/Industrial Landfill

Dear Mr. Kemp,

I am writing on behalf of Camden County, Georgia, with respect to the Financial Assurance Requirements for Solid Waste Handling and Processing Facilities effective April 9, 1997. The audit firm of Clifton, Lipford, Hardison, & Parker, LLC, applied the necessary financial tests to ensure that we are in compliance with the financial assurance requirements. These tests were applied based on the Audit Report of Camden County, Georgia, fiscal year ended June 30, 2012, which I have enclosed.

The financial statements for Camden County, Georgia, are prepared in conformity with Generally Accepted Accounting Principles for governments. Camden County, Georgia, has not had an operating deficit of 5% or more in each of the past two consecutive years, is not in default of any outstanding general obligation bonds, and does not have any outstanding general obligation bonds that are rated less than investment grade.

The assured costs related to the Camden County Landfill are identified in both the annual operating budget and in the audited financial statements. For costs assured for closure and post-closure care, Camden County, Georgia is in conformance with Governmental Accounting Standards Board Statement 18. Please refer to Note 12 of the Financial Statements for compliance with the public notice component of the financial assurance tests. As of June 30, 2012, assured costs were approximately 19.0% of total revenues, which meets the requirements of the relative financial strength ratio.

"Georgia's Coastal Community of Choice"

STEVE L. HOWARD
County Administrator

O. BRENT GREEN
County Attorney

WILLIS R. KEENE JR.
Commissioner, District 1

CHUCK CLARK
Commissioner, District 2

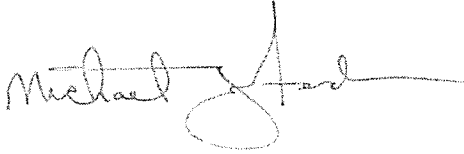
JIMMY STARLINE
Commissioner, District 3

GARY BLOUNT
Commissioner, District 4

DAVID L. RAINER
Commissioner District 5

A copy of this letter, a letter from the external CPA regarding the financial assurance of the Camden County Landfill, the financial assurance tests applied and their results, and the audited financial statements will be maintained in the operating records of the Camden County Landfill. If you have any questions, please do not hesitate to call me at (912) 576-6682.

Respectfully,



Michael J. Fender
Director of Finance & Budget

Cc: County Administrator
Solid Waste Director (110 site)
Assistant Solid Waste Director (C & D site)

"Georgia's Coastal Community of Choice"

STEVE L. HOWARD
County Administrator

O. BRENT GREEN
County Attorney

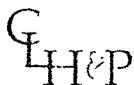
WILLIS R. KEENE JR.
Commissioner, District 1

CHUCK CLARK
Commissioner, District 2

JIMMY STARLINE
Commissioner, District 3

GARY BLOUNT
Commissioner, District 4

DAVID L. RAINER
Commissioner District 5



CLIFTON, LIPFORD, HARDISON & PARKER, LLC

J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

December 12, 2012

Mr. Mike Kemp
Georgia Environmental Protection Division
Solid Waste Management Program
4244 International Parkway, Suite 104
Atlanta, Georgia 30354

RE: Financial Assurance Requirements
EPD Permit # 020-017D (MSWL) & # 020-019D (C&D),
Camden County-S.R. 110 MSW Landfill, S.R. 110 C&D/Industrial Landfill

Dear Mr. Kemp:

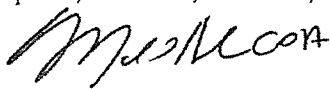
We have examined the statements made in the letter of Mr. Rainer to you dated December 12, 2012, which was prepared to comply with regulations of the Georgia Department of Natural Resources, Environmental Protection Division concerning financial responsibility solid waste handling facilities.

We performed the June 30, 2012 financial audit for the Camden County, Georgia and issued our unqualified opinion dated December 12, 2012. We have confirmed that the aforementioned statements in Mr. Rainer's letter are consistent with the 2012 audited financial statements.

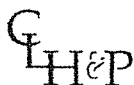
During the course of our audit, no matters came to our attention that would cause us to believe the information contained within the letter should be adjusted.

Sincerely,

Clifton, Lipford, Hardison, & Parker, L.L.C.

By 
Mark O. Hardison, CPA

MOH:mbg



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
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Truman W. Clifton (1902-1989)

December 12, 2012

INDEPENDENT ACCOUNTANT'S REPORT

Board of Commissioners
Camden County, Georgia

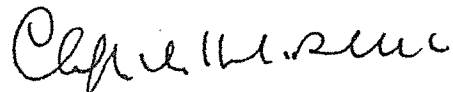
We have performed the procedures enumerated below, which were agreed to by the United States Environmental Protection Agency and the Georgia Department of Natural Resources, Environmental Protection Division, solely to assist the users in evaluating management's assertion about Camden County's compliance with the financial assurance provisions of the Municipal Solid Waste Landfill Criteria under Subtitle D of the Resource Conservation Recovery Act during the period ending June 30, 2012. The sufficiency of these procedures is solely the responsibility of the specific users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

- 1a) We computed the financial test alternative 2 ratios. The resulting liquid ratio for Camden County, Georgia was computed at 0.792. Therefore, Camden County, Georgia meets the threshold for the ratio of cash plus marketable securities to total expenditures. Camden County's ratio value of 0.792 is greater than, or equal to the value of 0.05, which is the minimum threshold established by the regulations. Camden County's resulting annual debt to service ratio was computed to be 0.023, which is less than, or equal to 0.20, the minimum threshold established by the regulations.
- 1b) The relative financial strength ratio was computed to be 0.190, a ratio value less than the established threshold value of 0.43. Therefore, Camden County satisfies the requirements to use the financial test to demonstrate financial assurance for the estimated closure and post-closure care costs.
- 2) We verify that Camden County has not run an operating deficit of 5% or more in the past two (2) consecutive years.
- 3) We verify that Camden County's annual financial statements were prepared in accordance with generally accepted accounting principles. An unqualified opinion was issued for Camden County's financial statements for the fiscal year ended June 2012.
- 4) We verify that the assured costs estimated for the solid waste handling facility are identified in Camden County's annual operating budget, and/or the audited financial statements. The assured costs are the closure, post-closure, and corrective action costs taken from the solid waste handling facility's design and operation plan.

- 5) We verify the Chairman of Camden County, Georgia has written a letter containing the information specified in the regulations (40CFR 258.74 (f) (3) (I) (A) and has placed a copy of this letter in the operating record of the solid waste handling facility in Camden County.
- 6) We verify Camden County meets the requirements of the Governmental Accounting Standard Board (GASB) statement 18. We also verify that Camden County's audited financial statements disclose the GASB 18 requirements and that a copy has been placed in the operating file at the solid waste handling site.
- 7) We verify that a copy of the report of the independent certified public accountant on Camden County's financial statements for the year ended June 30, 2012, have been placed in the operating record of the waste handling facility.
- 8) We have issued a special report on the Board of Commissioners' letter stating that the information in the letter to the operating record is consistent with the County's audited year-end financial statements.

These agreed upon procedures are substantially less in scope than an examination, the objective of which is the expression of an opinion on Camden County's compliance with the financial assurance provisions of the Municipal Solid Waste Landfill Criteria under subtitle D of the Resource Conservation and Recovery Act. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the management of Camden County, Georgia, and the parties listed in the first paragraph, and should not be used by those who did not participate in determining the procedures.



Camden County
Current Closure and Post Closure Costs
December 31, 2012

Camden MSWL Closure Cost

FY	Amount	Inflation Factor	YR Cost Estimate
2006			\$3,356,542.00
2007	\$3,356,542.00	1.029	\$3,453,881.72
2008	\$3,453,881.72	1.031	\$3,560,952.05
2009	\$3,560,952.05	1.022	\$3,639,293.00
2010	\$3,639,293.00	1.012	\$3,682,964.51
2011	\$3,682,964.51	1.010	\$3,719,794.16
2012	\$3,719,794.16	1.021	\$3,797,909.83

Camden MSWL Post-Closure Cost

FY	Amount	Inflation Factor	YR Cost Estimate
2006			\$1,699,710.00
2007	\$1,699,710.00	1.029	\$1,749,001.59
2008	\$1,749,001.59	1.031	\$1,803,220.64
2009	\$1,803,220.64	1.022	\$1,842,891.49
2010	\$1,842,891.49	1.012	\$1,865,006.19
2011	\$1,865,006.19	1.010	\$1,883,656.25
2012	\$1,883,656.25	1.021	\$1,923,213.03

Total Camden MSWL Closure & Post-Closure Cost

FY	Closure Cost	Post Closure Cost	Total Cost
2006	\$3,356,542.00	\$1,699,710.00	\$5,056,252.00
2007	\$3,453,881.72	\$1,749,001.59	\$5,202,883.31
2008	\$3,560,952.05	\$1,803,220.64	\$5,364,172.69
2009	\$3,639,293.00	\$1,842,891.49	\$5,482,184.49
2010	\$3,682,964.51	\$1,865,006.19	\$5,547,970.70
2011	\$3,719,794.16	\$1,883,656.25	\$5,603,450.41
2012	\$3,797,909.83	\$1,923,213.03	\$5,721,122.87

Camden CDIL Closure Cost

FY	Amount	Inflation Factor	YR Cost Estimate
2006			\$981,044.00
2007	\$981,044.00	1.029	\$1,009,494.28
2008	\$1,009,494.28	1.031	\$1,040,788.60
2009	\$1,040,788.60	1.022	\$1,063,685.95
2010	\$1,063,685.95	1.012	\$1,076,450.18
2011	\$1,076,450.18	1.010	\$1,087,214.68
2012	\$1,087,214.68	1.021	\$1,110,046.19

Camden CDIL Post-Closure Cost

FY	Amount	Inflation Factor	YR Cost Estimate
2006			\$832,524.00
2007	\$832,524.00	1.029	\$856,667.20
2008	\$856,667.20	1.031	\$883,223.88
2009	\$883,223.88	1.022	\$902,654.80
2010	\$902,654.80	1.012	\$913,486.66
2011	\$913,486.66	1.010	\$922,621.53
2012	\$922,621.53	1.021	\$941,996.58

Total Camden CDIL Closure & Post-Closure Cost

FY	Closure Cost	Post Closure Cost	Total Cost
2006	\$981,044.00	\$832,524.00	\$1,813,568.00
2007	\$1,009,494.28	\$856,667.20	\$1,866,161.47
2008	\$1,040,788.60	\$883,223.88	\$1,924,012.48
2009	\$1,063,685.95	\$902,654.80	\$1,966,340.75
2010	\$1,076,450.18	\$913,486.66	\$1,989,936.84
2011	\$1,087,214.68	\$922,621.53	\$2,009,836.21
2012	\$1,110,046.19	\$941,996.58	\$2,052,042.77

Total Camden Closure & Post-Closure Cost

FY	MSWL	CDIL	Total Cost
2006	\$5,056,252.00	\$1,813,568.00	\$6,869,820.00
2007	\$5,202,883.31	\$1,866,161.47	\$7,069,044.78
2008	\$5,364,172.69	\$1,924,012.48	\$7,288,185.17
2009	\$5,482,184.49	\$1,966,340.75	\$7,448,525.24
2010	\$5,547,970.70	\$1,989,936.84	\$7,537,907.54
2011	\$5,603,450.41	\$2,009,836.21	\$7,613,286.62
2012	\$5,721,122.87	\$2,052,042.77	\$7,773,165.64

Alternative 2 - Local Government Work Sheet (page 1 of 5)
for Closure, Post Closure, and Corrective Action Costs:

1. Name of County/City & Facility Name(s):	Camden County, Georgia S.R. 110, MSWL (Active)
2. GA EPD Permit(s):	020-0217D (MSWL)
3. Fiscal Year Ending	June 30, 2012
4. Closure Costs	= 3,797,909.83
5. Post-Closure Costs (annual cost x 30 yrs.)	= 1,923,213.03
6. Corrective Action Costs	= -
7. TOTAL ASSURED COSTS	= 5,721,122.86 (Closure Costs + Post Closure Costs + Corrective Action Costs)
8. Comments:	

Alternative 2 - Local Government Work Sheet (page 2 of 5)
for Closure, Post Closure, and Corrective Action Costs:

1. Name of County/City Camden County, Georgia
 & Facility Name(s): S.R. 110 C&D/Industrial Landfill

2. GA EPD Permit(s): 020-0219D (C&D)

3. Fiscal Year Ending June 30, 2012

4. Closure Costs = 1,110,046.19

5. Post-Closure Costs	=	941,996.58
(annual cost x 30 yrs.)		

6. Corrective Action Costs = _____ - _____

7. TOTAL ASSURED COSTS = $\frac{2,052,042.77}{(\text{Closure Costs} + \text{Post Closure Costs} + \text{Corrective Action Costs})}$

8. Comments: _____

Alternative 2 - Local Government Work Sheet (page 3 of 5)
for 1. A. Resulting Liquid Ratio & 1. B. Resulting Annual Debt to Service Ratio

1. A. Resulting Liquid Ratio:

$$\left(\frac{24,717,746}{\text{Cash}} + \frac{2,562}{\text{Marketable Securities}} \right) / \frac{31,210,069}{\text{Total Expenditures}} =$$
$$\frac{0.79}{\text{Resulting Liquid Ratio}}$$

Resulting Liquid Ratio = 0.79 **MUST** be ≥ 0.05

Cash - found on page D-1 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Marketable Securities - found on page D-1 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Total Expenditures - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

1. B. Resulting Annual Debt to Service Ratio:

$$\frac{723,068}{\text{Annual Debt Service}} / \frac{31,210,069}{\text{Total Expenditures}} = \frac{0.023}{\text{Resulting Debt to Service Ratio}} \leq 0.20$$

Resulting Debt to Service Ratio = 0.023 **MUST** be ≤ 0.20

Annual Debt Service - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Total Expenditures - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

2. Relative Financial Strength Ratio:

$$\frac{7,773,166}{\text{Total Assured Cost}} \div \frac{40,904,526}{\text{Total Revenue}} = \frac{0.190}{\text{Relative Financial Strength Ratio}}$$

Relative Financial Strength Ratio = 0.190 **MUST** be \leq **0.43**

Total Assured Cost (Closure + Post Closure + Corrective Action Care Costs) - found on page D-37 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Total Revenue - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Total Assured Cost is (Closure + Post Closure + Corrective Action Care Cost) – These are found on the local government's landfill Design & Operation plan and indicate the environmental estimated obligations for each individual landfill, and after being adjusted for inflation should be shown on these worksheets. These should be totaled to get the total assured cost.

The **Operating Deficit Requirement**, the **Resulting Liquid Ratio**, and the **Resulting Annual Debt to Service Ratio** should also reflect any year-to-year real costs.

Any year-to-year real closure/post-closure/corrective action costs for the landfill can be reported below.

Comments: _____

3. Operating Deficit Requirement:

(Total Annual Revenues - Total Annual Expenditures) / Revenues \leq 0.05 for past two years

(40,904,526 - 31,210,069) / 40,904,526

Total Annual Revenues

Total Annual Expenditures

Revenues

= 0.237
Operating Surplus

0.237 MUST be \leq 0.05 for past two years
Operating Surplus

Total Annual Revenues - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

Total Annual Expenditures - found on page D-6 & D-12 of our government's Annual Financial Statements for fiscal year ending 06/30/12.

4. Not be in default on any Outstanding General Obligation Debt.

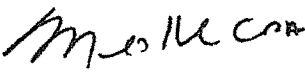
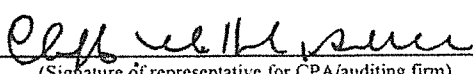
(stated in the letter from the local government - III. 3. A. E XAMPLE LETTER - from local government official to GA EPD (page 16))

5. Not have any outstanding General Obligation Bonds that are rated less than investment grade.

(stated in the letter from the local government - III. 3. A. E XAMPLE LETTER - from local government official to GA EPD (page 16))

Mark O. Hardison
(Type/print name of representative for CPA/auditing firm)

Clifton, Lipford, Hardison & Parker, LLC
(type/print name of CPA/auditing firm)



(Signature of representative for CPA/auditing firm)

(478) 742-3313
(telephone number of representative for CPA/auditing firm)

**FINANCIAL ASSURANCE MECHANISM
FOR CLOSURE AND POST-CLOSURE CARE COSTS**

The financial test mechanism for local governments has 3 components:

I. FINANCIAL COMPONENT

II. PUBLIC NOTICE COMPONENT

III. RECORD KEEPING and REPORTING COMPONENT

*LOCAL GOVERNMENT CHECK LIST - HAVE YOU ENCLOSED THE
FOLLOWING? Yes or No*

I. FINANCIAL COMPONENT

If you choose to use Alternative 1,
complete all three (3) of the Local
Government Work Sheets (pages 6-8)

_____ N/A _____ (if this does not apply
write N/A on line)

If you choose to use Alternative 2,
complete all four (4) of the Local
Government Work Sheets (pages 12-15)

_____ yes _____ if this does not apply
write N/A on line)

II. PUBLIC NOTICE COMPONENT

Conformance with Governmental Accounting Standards Board (GASB) Statement 18 assures compliance with this component. The following must be included in the local government's budget or the annual financial report:

1. costs for closure, post-closure care, or corrective action for all the solid waste handling facilities for which the financial test is being used (assured cost);
2. nature and source of requirements for closure and post-closure care or corrective action;
3. reported total liabilities at the balance sheet date;
4. estimated costs for environmental obligations that remain to be recognized;
5. percentage of landfill capacity used to date; and
6. estimated landfill life in years.

Cover letter (Public Notice Component) from the local government official to GA EPD (to Mike Kemp) stating the 6 items listed at bottom of previous page, that are taken from the local government's budget, or the annual financial report. This should go with the **III. 3. A.**

EXAMPLE LETTER - (from local government official to GA EPD) (page 16)

III. RECORD KEEPING and REPORTING COMPONENT

Enclosed an annual financial report
in compliance with generally accepted
accounting principles (GAAP) for
governments, or a copy of the budget
or certification that the requirem ents
of GASB Statement 18 have been m et
(Page 18-19) CPA's Report

yes

Documented use of the test in the
operating record of each solid waste
handling facility - item # 7
(page 18-19) CPA's Report

yes

Letter from the local gov. official to
GA EPD (to Mike Kemp)
(page 16)

yes

Letter from your CPA to GA EPD
(to Mike Kemp)
(page 17)

yes

CPA Report from your CPA to GA EPD
(to Mike Kemp)
(pages 18-19)

yes

If you should have any questions contact:

*Mike Kemp at: (404) 362-2537 phone, (404) 362-2693 fax, or your C PA can request a copy of
this document in a Microsoft W ord 2000 file by sending an E-mail to
mike_kemp@dnr.ga.state.ga.us and asking that this document be e-mailed to him.*

Mail the Information to:

*Mr. Mike Kemp
GA Environmental Protection Division
Solid Waste Management Program
4244 International Parkw ay, Suite 104
Atlanta, Georgia 30354*

